
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 9.23.2009

Wall Street Journal: "FDIC Considers Prepaid Bank Fees ... The Federal Deposit Insurance Corp. is leaning toward asking banks to prepay future fees as a way to quickly rebuild the agency's deposit-insurance fund, people familiar with the matter said."

Wall Street Journal: "Geithner: Cannot Walk Away From Crisis Without Changes ... U.S. policy makers cannot abdicate responsibility to revamp regulation of the financial system, the flaws of which are still in place and could pose a risk if not fixed, Treasury Secretary Timothy Geithner said in testimony released Tuesday."

Wall Street Journal: "Delayed Foreclosures Stalk Market ... Debra and Arthur Scriven were served notice in June 2008 that their mortgage lender, a unit of Citigroup Inc., was preparing to foreclose on their home."

Wall Street Journal: "Traders Seek Fortune in AIG, a Stock Once Left for Dead ... American International Group Inc., a symbol of the financial crisis, has morphed into a playground for speculators."

Wall Street Journal: "Geithner Pushes Program Aimed at Growth ... U.S. Treasury Secretary Timothy Geithner said revamping global economic and regulatory policies at this week's Group of 20 summit is critical to producing strong growth after the deepest recession since the Great Depression."

Wall Street Journal: "Regulators Weigh New Merger Rules ... U.S. regulators are considering updating 17-year-old guidelines used to determine whether proposed business mergers are anticompetitive, a move that could result in tougher and simpler standards for companies."

Wall Street Journal: "Bank Pay Controls Aren't the Answer ... In his weekly radio address on Saturday, President Barack Obama said that "we cannot allow the thirst for reckless schemes that produce quick profits and fat executive bonuses to override the security of our entire financial system and leave taxpayers on the hook for cleaning up the mess." A day earlier, Treasury Secretary Tim Geithner told the New York Times that "you don't want people being paid for taking too much risk."

Wall Street Journal: "In U.K., Firm Reviews on the Rise ... The U.K. Financial Services Authority initiated nearly double the number of independent reviews into firms' activities over the 12 months to the end of March, as it took a more aggressive approach to regulation."

The Washington Post: "For G-20 Summit, Old Issues Give Way to New ... Having moved with unprecedented speed and coordination five months ago to head off what many feared might be another Great Depression, the leaders of the world's 20 largest economies are set to gather Thursday in Pittsburgh to discuss whether it is time to wind down stimulus efforts and talk about what can be done to prevent a repeat of the crisis."

The Washington Post: "A New Bubble Of the Fed's Creation ... For the past two years, the central challenge of U.S. economic policy has been to find a way to stabilize the financial system and the economy without reinflating the bubble or going back to the days of consuming more than we produce. In the end, that may prove harder than it seems."

The Washington Post: "Bank of America, J.P. Morgan Chase to Further Limit Overdraft Fees ... Two of the nation's largest retail banks said they will announce new limits on overdraft fees Wednesday as the industry seeks to contain

rising anger over the practice."

The Washington Post: "Fed Weighs Timeline to Wind Down Its Deep Intervention in U.S. Economy ... Behind closed doors this week, leaders of the Federal Reserve are debating the best strategy for ending their aggressive efforts at supporting the economy, seeking to wind down programs on a timeline that neither stops the recovery in its tracks nor leads to a burst of inflation."

The Washington Post: "Frank Set to Scale Back Plans For Consumer Financial Agency ... Rep. Barney Frank said he's prepared to make key changes to the Obama administration's proposed new consumer financial protection agency in an effort to head off some the main criticisms about its power and scope."

NY Times: "U.S. Hopes for Global Accord on Financial Reforms ... As President Obama prepares to host the leaders of the Group of 20 nations at an economic summit meeting this week in Pittsburgh, American officials say they are optimistic about reaching agreement on strategies to rein in practices that led to the current financial crisis."

USA Today: "Economy recovering, Geithner says, but fixes are needed ... Treasury Secretary Timothy Geithner says the nation is moving toward economic recovery but that the regulatory system is broken and must be fixed."

USA Today: "Regulators urge tougher oversight of derivatives ... Two key regulators on Tuesday urged Congress to go beyond an Obama administration proposal and impose comprehensive oversight on the sprawling, complex market for financial derivatives blamed for worsening the credit crisis last fall."

USA Today: "Our view on Troubled Asset Relief Program: A year later, plan to rescue big banks pays dividends ... With the economy showing signs of recovery, memories of the panic that raced through Wall Street and Washington a year ago are fading."

USA Today: "Opposing view: TARP was a flop ... year ago, as our nation stood on the brink of economic collapse, Congress decided that to stabilize our financial system, we should spend \$700 billion to bail out Wall Street banks."

The Washington Times: "Bank lobby defeats Obama reform plan ... Congress appears set to ignore President Obama's proposal that banks be required to offer "plain vanilla" financial products such as 30-year fixed-rate mortgages, giving the banking industry an early victory in its fight with the administration over how to reform the financial-services sector."

The Washington Times: "FDIC eyeing 'least bad' option for shoring up fund ... The Federal Deposit Insurance Corp. is weighing several costly options as it struggles to shore up the dwindling fund that insures bank deposits."

Reuters: "Fed to note economic improvement, may hint on exit ... The U.S. Federal Reserve is expected to take note of an improving economy at the close of a meeting on Wednesday, while cautioning that high unemployment puts the recovery at risk."

Bloomberg: "Fed May Signal Economic Recovery Has Begun, Affirm Low Rates ... Federal Reserve officials may signal that the U.S. economy has started to recover while maintaining their pledge to keep the benchmark interest rate near a

record low for an "extended period."

Bloomberg: "Fed's Focus on Exit Ignores Unguarded Entrance: Caroline Baum ... In an effort to determine what went wrong and enshrine "never again" as their motto, central bankers are focusing on what they did, or didn't do, in their role as regulators to aid and abet the financial crisis."

Newsweek: "The Banks Bail Out Uncle Sam...Not Really ... It seemed like a classic "man bites dog" story. America's banks, having been repeatedly rescued by the government in the past 18 months, were about to turn the tables and rescue the government by lending billions of dollars to the beleaguered Federal Deposit Insurance Corporation."

Politico: "Chamber is against consumer agency ... House Financial Services Committee Chairman Barney Frank (D-Mass.) is working on changes to the consumer financial protection agency, seeking to address concerns raised by the business community about President Barack Obama's proposal to create an independent federal watchdog to protect consumer interests."